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# News Releases and other News Material

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For further information about this booklet contact Charles Hobbs, editor, Office Of Communications, Room 556-A, U.S Department of Agriculture, Washington, D.C. 20250 or call (202) 720-5881.

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Release No. 0394.94 Steve Kinsella (202) 720-4623 Mary Dixon (202) 720-4623

## Statement-

by
USDA Under Secretary Bob Nash
on
National Review and Reform of FMHA Section 515 Housing Program

WASHINGTON, May 18 -- The following statement was released today by USDA Under Secretary Bob Nash concerning actions under way to reform the Farmers Home Administration Section 515 Multi-Family Housing Program:

"Secretary Mike Espy and I have long recognized the concerns about the rural rental housing program raised by Congressman Richard Durbin today. We welcome his involvement in investigating these concerns and his interest in seeking solutions. As we have said before, we will not tolerate the abuse of any USDA program or the misuse of any taxpayer funds.

"After coming to office in January, 1993, newly appointed FmHA officials began reviewing the Section 515 program and found serious program violations that created health and safety hazards affecting tenants. We then developed a special review team to assess the extent of the problem. After the initial assessment, we launched a national review of the program in February, 1994, to be completed in June 1994. Further, we have actively worked and cooperated with the Appropriations Committee investigative staff and we have taken several steps to reform the program to prevent any future abuse.

"We will conclude our national review soon and will continue to reform the program and take corrective action to make the housing safe for the tenants."

Some of the actions taken to review and reform the Section 515 program under Espy and Nash include:

- ♦ In August, 1993, newly appointed FmHA officials became aware of a serious problem with a number of projects owned by one borrower in Louisiana. The Associate Administrator and the Office of General Counsel met with the owner of the projects and negotiated transfer of the property to a new owner. This kind of quick response has become the standard operating procedure for such cases when they are discovered.
- ♦ In February, 1994, a high level review team including the Under Secretary, the FmHA Administrator, the Associate Administrator, the Acting Inspector General and the General Counsel visited projects in Mississippi and found numerous instances of poor maintenance and apparent Civil Rights violations.
- ♦ In February, FmHA state directors nationwide were ordered to conduct a survey of all rental housing financed by FmHA. Where there was evidence of fraud, Civil Rights violations, poor maintenance or other problems, state directors were ordered to personally investigate the situation. The deadline for their reports is June 10.

#### (WAGE MATCHING)

♦ Efforts to confirm income claimed by rural housing tenants by matching their claims with information collected by state Departments of Labor began in February, 1990. The FmHA has negotiated agreements with 23 states so far. We are also considering asking for legislation that would require states to provide such information to FmHA.

#### (RESERVE ACCOUNTS)

♦ The FmHA published new regulations Feb. 28 that require signatures of both an FmHA official as well as project owners to use funds from reserve accounts which are designated to be used for maintenance, capital improvements and emergency operating expenses.

#### (GOOD SERVICING PRACTICES - FLORIDA)

♦ Regulations were strengthened in August, 1993, to require district offices to submit data on all compliance deficiencies to state offices to give managers instant information on problem projects so corrective action can be taken immediately.

#### (PRE PAYMENT)

♦ The FmHA, in accordance with the Community Development Act of 1987, has developed regulations to prevent rural rental housing owners from pre-paying their FmHA loans and converting to higher profit commercial properties.

#### (3-YEAR VISIT)

♦ The FmHA recognizes that one inspection every three years is not enough. An instruction has been issued to state directors to visit all projects which have not reviewed in the last year. Reviews will be conducted more frequently.

#### (ADEQUATE RECORDS)

♦ The FmHA is developing an automated computerized management system to improve the property management system.



### **News Releases-**

Release No. 0387.94 Tom Amontree (202) 720-4623

#### **USDA TAKES ACTION ON CITRUS MARKETING ORDERS**

WASHINGTON, May 16 -- Deputy Secretary of Agriculture Richard Rominger announced today that notification has been given to the Congress of the Department's intention to terminate marketing orders for California-Arizona lemons, navel oranges, and Valencia oranges in 60 days.

In making the decision to terminate these orders, Rominger said, "When properly working, marketing orders can be an effective tool that benefits farmers as well as consumers. Unfortunately, division and turmoil within the California-Arizona citrus industry, relating to the citrus marketing orders, clearly indicate that these programs are not working as they should."

Marketing orders are designed to prevent a glut or shortage of product on the market, prevent price wars and harm to farmers, and provide stability within the industry--to the benefit of both growers and consumers. Some orders, including those for California-Arizona citrus, provide for flow-to-market controls that are intended to stabilize prices and supplies.

Last June, the Department suspended the flow-to-m'rket provision--or prorate--in anticipation that the industry could resolve differences and arrive at a consensus regarding proposed changes to the programs. However, serious differences remain after a year, and there is no apparent consensus that the programs as currently constituted, effectively serve the interests of growers and consumers. "Instead," said Rominger, "the programs are working to the detriment of growers, packers, and consumers. This is indeed an unfortunate and unacceptable situation."

"The cooperatives as well as independent growers and handlers that make up the California-Arizona citrus industry play a very substantial and positive role in U.S. agriculture," Rominger added, "and as the industry works to resolve its differences, the Department looks forward to working together to provide the marketing tools that will benefit growers and consumers."

Although the current marketing orders will be terminated, the citrus industry can propose new marketing orders that would more effectively accomplish the goals of providing market stability and preventing gluts or shortages that harm producers. After the marketing orders are terminated, all Federal involvement in current legal action that has been brought to enforce the marketing orders will be ended.

According to Rominger, "continued pursuit of legal action would not further the intent of the Agricultural Marketing Agreement Act, which authorizes marketing orders. Moreover, it would delay further attempts to develop a consensus within the industry, and would place an inordinate burden on taxpayers."

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Release No. 0388.94 Tom Amontree (202) 720-4623 Diana Morse (202) 720-4772

# SCS REPORTS FARMERS ARE GAINING GROUND: 92 PERCENT OF CONSERVATION PLANS ARE ON SCHEDULE

WASHINGTON, May 16--About 92 percent of the conservation plans for America's most highly erodible cropland are being carried out on schedule, according to a status review by U.S. Department of Agriculture's Soil Conservation Service. Of these plans, 50 percent have already been fully implemented.

"Most farmers have made great progress in reducing soil erosion," said Paul W. Johnson, chief of USDA's Soil Conservation Service. "SCS field personnel, state conservation agencies, and soil conservation districts have worked hard to provide the assistance needed. We encourage farmers to continue to carry out their plans on schedule and meet the deadline set by Congress."

Johnson said that agriculture is well on its way in carrying out "the most intensive conservation effort ever undertaken on private lands."

The 1993 status review provides a statistically reliable sample of conservation plans on highly erodible cropland. These onsite reviews by SCS covered 53,000 conservation plans on 8 million acres.

From these reviews, SCS estimates that plans are on schedule on 90 percent of the cultivated cropland covered. These estimates indicate that erosion on our most highly erodible lands will be reduced by about 66 percent going from an estimated national average of 17.5 tons per acre in 1985 to 6 tons per acre annually when plans are fully implemented by the December 31, 1994.

The reduction in erosion is significant because it reduces the damage caused by soil erosion to the nation's water and air quality, enhances wildlife habitat, and protects the long-term productivity of the nation's most vulnerable cropland.

The conservation plans were developed on highly erodible cropland as a result of a conservation provision in the Food Security Act of 1985, which linked soil conservation to farm program benefits for the first time. Under the law, producers need to have their plans fully implemented by December 31, 1994, to stay eligible for USDA program benefits.

"The public wants good land stewardship," Johnson said. "Just as other businesses have had to change the way they operate to protect the environment, agriculture has also accepted the challenge."

In addition to the 92 percent of plans on schedule, another 4.7 percent of the plans reviewed had been granted one-year extensions, or variances. The extensions are granted when producers have made the best effort possible to keep on schedule but could not due to uncontrollable circumstances, such as hardship or weather, or factors which had minimal impact on accomplishing the erosion reduction goals.

SCS does the annual status review to monitor conservation plan implementation. Each state also conducts a quality review to insure that status reviews are accurate, adequately documented, and completed in a timely manner.

#### Page 4

Following is a state-by-state report on the total acreage of highly erodible cropland with conservation plans from SCS state progress reviews. Also included is a summary of the 1993 status review showing the percentage of plans on schedule on currently cultivated highly erodible cropland and estimated erosion reduction on the acreage in those plans when they are fully implemented by the end of this year.

Detailed information on the status review is available from the Office of Public Affairs, SCS, in Washington, D.C., and from SCS state offices.

# Implementing Conservation Systems on America's Most Highly Erodible Cropland

	Pe Total Acres with Highly	ercentage of Plans on Schedule on	3 Status Review Annual Erosion on Cultivated	Data Expected Annual Erosion on
	Erodible Cropland Plans	Currently Cultivated	Highly Erodible	Highly Erodible
	From 1993	Highly	Cropland in	Cropland
	Progress		1985 (tons per	by 12/31/94
	Report	Cropland	acre)*	(ton per
				acre)*
States				
Alabama	1,609,710	92.5	21.6	7.9
Alaska	25,828	100.0	6.4	0.9
Arizona	21,091	90.7	8.0	5.6
Arkansas	359,207	98.3	11.5	3.9
California	880,152	97.0	7.6	4.1
Colorado	8,896,219	93.6	20.0	6.8
Connecticut	21,024	95.7	16.3	3.7
Delaware	12,131	80.0	6.8	4.9
Florida	239,978	98.1	19.0	5.8
Georgia	719,951	93.5	18.9	7.2
Hawaii	78,304	100.0	28.4	1.2
Idaho	3,193,790	96.0	18.1	5.0
Illinois	5,328,253	90.1	17.2	5.9
Indiana	2,253,719	96.5	14.2	5.6
Iowa	11,544,759	78.6	24.2	8.3
Kansas	12,817,375	92.7	17.3	5.2
Kentucky	3,934,223	95.0	27.1	4.4
Louisiana	233,914	99.0	20.4	7.8
Maine	128,477	100.0	23.8	5.9
Maryland	402,385	86.5	8.6	4.0
Massachusetts	18,845	96.9	11.6	5.0
Michigan	651,042	94.2	9.7	3.5
Minnesota	2,215,025	97.6	19.7	6.4
Mississippi	1,806,605	96.8	21.2	8.2
Missouri	6,514,759	86.2	11.2	4.8
Montana	14,221,329	92.1	4.4	3.3
Nebraska	9,892,235	89.5	14.8	6.9
Nevada	202,209	100.0	1.0	1.0
New Hampshire	5,899	100.0	17.5	2.0
New Jersey	94,724	94.7	13.0	4.9

New Mexico	1,972,259	99.4	17.4	6.6
New York	1,251,790	91.6	7.3	4.0
North Carolina	1,542,877	84.4	17.8	6.7
North Dakota	7,680,313	943	18.1	6.9
Ohio	1,915,791	94.6	9.4	4.8
Oklahoma	5,139,864	91.4	17.6	5.1
Oregon	1,664,977	92.7	8.5	5.6
Pennsylvania	2,584,779	89.0	7.9	3.0
Puerto Rico	14,402	85.7	86.6	12.1
Rhode Island	802	100.0	10.8	4.4
South Carolina	411,210	93.8	18.5	4.8
South Dakota	4,028,305	96.8	15.4	6.1
Tennessee	2,275,453	88.9	21.5	9.5
Texas	12,829,532	95.8	33.2	7.5
Utah	484,420	95.8	6.1	2.5
Vermont	148,416	81.8	5.8	3.9
Virginia	2,260,500	89.4	14.3	5.0
Washington	3,664,035	90.1	16.7	6.9
West Virginia	106,350	98.0	7.3	2.6
Wisconsin	4,073,231	92.7	8.2	4.2
Wyoming	1,220,974	93.9	9.2	4.9
Total	143,593,442	91.7	17.5	6.0

<sup>\*</sup>These erosion rates reflect the reduction in erosion indicated by conservation plans checked in the status review. This is for cultivated highly erodible cropland. Annual erosion rates were initially calculated during the period 1985-1990.



Release No. 0389.94 Martha Cashion (202) 720-3310

#### IRA HOBBS NAMED USDA'S DIRECTOR OF OPERATIONS

WASHINGTON, May 17--Ira L. Hobbs has been selected as director of the Office of Operations for the U.S. Department of Agriculture, Assistant Secretary of Agriculture for Administration Wardell Townsend announced today. He succeeds John Kratzke, who retired from the post in April after 33 years of Federal service.

The director of operations has responsibility for providing overall policy direction, leadership, and coordination of real and personal property, procurement, and mail functions for USDA, as well as overseeing certain consolidated administrative activities in the Department.

"Ira Hobbs brings to the job a strong background in information resources management, as well as administrative management," Townsend said. "Given the ever-increasing emphasis and reliance on technology in all aspects of the work place, he will help us move toward the 21st century with a new vision of the way we do our work."

Hobbs was director of the Information Systems and Communications Division of USDA's Animal and Plant Health Inspection Service from April 1989 to April 1994 and served as the deputy director of that organization before becoming the director.

Prior to that he was a branch chief and then deputy director of APHIS's Administrative Services Division from 1983 through 1988. Hobbs began his career with USDA as a Presidential Management Intern with APHIS in 1978 and he worked in the personnel area from 1980 to 1983. He received USDA's honor award for superior service in 1985.

Hobbs, a native of Tallahassee, Fla., received a B.A. degree in political science from Florida A&M University in 1976 after a three-year tour of duty in the United States Army. He earned a master of public administration degree from Florida State University in 1977.

#### RUSS ASHWORTH NAMED DIRECTOR OF MAP PROGRAM OFFICE AT USDA

WASHINGTON, May 17--W.R. "Russ" Ashworth has been selected as director of the Modernization of Administrative Processes (MAP) Program Office, Assistant Secretary of Agriculture for Administration Wardell C. Townsend, Jr. announced today. He succeeds William L. Rice, who retired in February 1994 after 32 years of federal service.

The MAP director is responsible for overseeing the development and implementation of administrative modernization projects at USDA and for providing staff support for the assistant secretary for administration.

"The MAP director is an important position at USDA, especially in these times of government reinvention," said Townsend. "We are redesigning USDA's administrative systems and processes to improve the way we do business and reduce costs, while still meeting customers needs.

"With Russ Ashworth's broad administrative background, his record as a problem solver, and his focus on the customer, he is a natural leader in our efforts."

Ashworth was director of the Agriculture Research Service's Contracting and Assistance Division (CAD) from June 1986 to April 1994 and was responsible for ARS's contracting, purchasing, cooperative agreements, grants, and personal property programs. He began his government service as a management intern in 1974. In that capacity, he rotated through each of the administrative disciplines in ARS, focusing on contracting as his professional career path. He held a variety of operational and staff positions before being appointed as CAD director in 1986.

Ashworth served as deputy chairman of the information resources management council in ARS and was a member of the ARS quality council. He was appointed by the administrator of ARS to serve on the human resource management implementation steering committee and to help develop USDA's reorganization plan for the areas of research, education, and economics. Just prior to leaving ARS, he served on the procurement review task force established by Secretary of Agriculture Mike Espy.

Among his numerous awards, Ashworth received a certificate of recognition from the William A. Jump Memorial Foundation for noteworthy service in public administration. A native of Attleboro, Mass., he holds a B.A. degree in English literature from Franklin College of Indiana and has studied management and law at the University of Maryland.

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Release No. 0395.94
Doris Stanley (301) 344-2963
Maria Bynum (202) 720-5192

#### NEW POTATO BREEDING LINES RESIST FUNGUS THAT CAUSED THE IRISH POTATO FAMINE

WASHINGTON, May 19--New, more aggressive strains of the fungus that caused the Irish potato famine in the 1840's have been identified in the United States, but U.S. Department of Agriculture scientists are ready.

They have developed potato breeding lines that resist the most virulent types of the fungus causing the blight. These lines will be used to develop commercial potato varieties.

Late blight, caused by the fungus Phytophthora infestans, can destroy a potato crop, either in the field or in storage, in just a few weeks. Late blight is the most destructive disease of potatoes worldwide, said Kenneth Deahl, a USDA plant pathologist and microbiologist.

"Potato growers have controlled the fungus with metalaxyl, a chemical that protected the plants. But we've found strains of the fungus in British Columbia, the Pacific Northwest, Texas, California, Wisconsin, Pennsylvania, Florida and Maine that resist the chemical," reported Deahl, of USDA's Agricultural Research Service.

Until a few years ago, only type A1 was known to exist outside Mexico, where Deahl said the pathogen is believed to have originated. A second type of the dreaded fungus, A-2, could mate with type A1, producing more aggressive strains of the fungus. These new strains have appeared in this country, according to a report in the May issue of Agricultural Research.

It is the spores from these mating types of fungus that are potentially the most destructive to the potato crop. Called oospores, they have a protective cell wall that allows them to survive in the soil, infected stems and tubers and remain viable the following season, he said.

But Deahl's fellow scientists at the Vegetable Laboratory, Beltsville Agricultural Research Center in Beltsville, Md., and at Madison, Wis., have been working on a potato that resists P. infestans. This seems to be the only long-term solution since the new strains appear to be resistant to chemical control, Deahl said.

ARS plant pathologist Robert Goth and geneticist Kathleen Haynes have potato plants growing in greenhouses at Beltsville and in field plots in Maine that resist type A1, and are testing them for resistance to the more virulent type A2.

"We made the first breeding cross 11 years ago," said Haynes. "This means that some of this germplasm has been exposed to the fungus and has resisted it for 10 years." In 1993 field tests, these resistant selections yielded as well as standard varieties and had superior late blight resistance, she said.

At the ARS laboratory in Wisconsin, plant physiologist John Helgeson has used genetic engineering to fuse leaf cells from a wild potato species with leaf cells from a cultivated potato variety to produce what is called a somatic hybrid.

"These hybrids are fertile and are as resistant as the wild species are to virulent types of the fungus," Helgeson reported. "We'd like potato breeders to evaluate these lines which could be ready in a couple of years."

ARS plant pathologist Paul Tooley at Fort Detrick, Md., is using DNA fingerprinting to identify the more virulent strains of the fungus. He and colleagues have also identified the presence of double-stranded RNA in P. infestans, which is another diagnostic tool for studying and tracing the origin of this elusive and destructive pathogen.

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NOTE TO EDITORS: For details, contact Kenneth Deahl, Kathleen Haynes, or Robert Goth, Vegetable Laboratory, Agricultural Research Service, USDA, Beltsville, Md. 20705-2350. Telephone: (301) 504-7380; John P. Helgeson, USDA-ARS Disease Resistance Laboratory, Department of Plant Pathology, University of Wisconsin, Madison, Wis. 53706. Telephone: (608) 264-5276; or Paul Tooley, USDA-ARS Foreign Disease-Weed Science Research Laboratory, Fort Detrick, Frederick, Md. 21702. Telephone: (301) 619-2632

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Release No. 0397.94 Kendra Pratt (301) 436-4898 Jerry Redding (202) 720-6959

#### USDA ANNOUNCES THAT THREE STATES HAVE ERADICATED PSEUDORABIES

WASHINGTON, May 19--The U.S. Department of Agriculture announced today that Idaho, Montana and Oregon have eradicated the livestock disease pseudorabies from all their domestic swine herds.

"Because of the effort our industry and state cooperators invested in advancing these three states in the eradication program, nearly one-quarter of the United States is now completely free of pseudorabies," said Donald Luchsinger, acting deputy administrator of veterinary services in USDA's Animal and Plant Health Inspection Service.

Idaho, Montana and Oregon join nine other states in achieving Stage V or "Free" status in the five-stage state-federal-industry cooperative pseudorabies eradication program. Additional recent achievements made by other states in the program include: New Jersey, South Dakota and all but six counties within Michigan have advanced to Stage III; and Iowa and Rhode Island have advanced to Stage II.

"The progress of the pseudorabies program in lowa proves this state's commitment to maintaining an effective eradication effort," Luchsinger said.

Luchsinger said states participating in the eradication program advance from Stage I to Stage V. Stage I is preparation. Stage II is control. Stage III is mandatory clean-up of all pseudorabies-infected herds. Stage IV is surveillance to make sure no infection remains. Stage V, pseudorabies-free status, is achieved if a state in Stage IV goes for one year without finding an infected swine herd.

Pseudorabies is a viral disease most prevalent in swine, often causing newborn piglets to die. Older pigs can survive infection, becoming carriers of the pseudorabies virus for life. Other animals, such as cattle, sheep, dogs and cats, can become infected from swine and can die from this disease. Cattle and sheep infected with pseudorabies may first show signs of pseudorabies by scratching and biting themselves, commonly known as "the mad itch." In dogs and cats, pseudorabies can cause sudden death. The virus does not cause illness in humans.

NOTE TO EDITORS: The status of the various states in the pseudorabies eradication program is as follows:

Stage 1: Florida

Stage 2: Illinois, Iowa, Kansas, Maryland, Massachusetts, Missouri, Pennsylvania, Puerto Rico, Rhode Island and the Virgin Islands.

Stage 2/3: Indiana, Michigan, Minnesota, Nebraska and North Carolina.

Stage 3: Alabama, Arkansas, California, Colorado, Delaware, Georgia, Hawaii,
Kentucky, Louisiana, New Hampshire, New Jersey, Ohio, Oklahoma, South
Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia,
West Virginia and Wisconsin.

Stage 4: Nevada, North Dakota and Washington.

Stage 5: Alaska, Arizona, Connecticut, Idaho, Maine, Mississippi, Montana, New Mexico, New York, Oregon, Utah and Wyoming.

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Release No. 0398.94 Robert Feist (202) 720-6789 Tom Amontree (202) 720-4623

#### ELIGIBLE ELS COTTON PRODUCERS DUE DEFICIENCY PAYMENTS FOR 1993 CROP

WASHINGTON, May 19--The U.S. Department of Agriculture announced today that eligible producers of extra long staple (ELS) cotton will receive deficiency payments of 17.58 cents per pound on their 1993 production.

Grant Buntrock, executive vice president of USDA's Commodity Credit Corporation, said the 1993 deficiency payment rate is equal to the difference between the established target price of 105.70 cents per pound and the national average loan rate of 88.12 cents per pound, which is the maximum allowed by law. Total payments will be about \$11.5 million.

ELS cotton producers had the option of applying for half their estimated deficiency payment during the program signup period, March 1 to April 30, 1993. Advance payments totaled \$5.5 million. USDA's Agricultural Stabilization and Conservation Service will begin making the remaining estimated \$6 million in payments the last part of May.

Participants in the 1993 ELS cotton Acreage Reduction Program are eligible to receive deficiency payments equal to their farm program payment yield multiplied by their eligible ELS cotton planted acreage.

Eligible ELS cotton producers receive a deficiency payment when the national average market price received by producers during the eight-month marketing period, August 1993 through March 1994, is below the target price. The payment may not exceed the difference between the target price and loan rate. The national average 8-month market price was 82.8 cents per pound.

Release No. 0404.94 Alicia L. Ford (202) 720-8998 Jerry Redding (202) 720-6959

#### USDA REVISES LICENSING PROCEDURE FOR COTTONSEED SAMPLERS

WASHINGTON, May 23--The U.S. Department of Agriculture is revising application procedures for licenses to sample cottonseed for official USDA grading services. The revision eliminates the bonding requirement and application fees, and extends the period of new and renewed licenses from one to five years.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the cottonseed industry welcomes the revision. "Industry responses to the proposed revisions indicate the reduced paperwork burden involved in applying for and maintaining an official USDA cottonseed sampler's license is an advancement to the process," Hatamiya said.

These revisions will make the procedures for cottonseed sampler's licenses consistent with those for cotton samplers, which were revised several years ago with no adverse affects to USDA's cotton classification program.

Hatamiya added that sampling equipment and procedures will continue to receive the same level of supervision from AMS Cotton Division personnel.

The revisions become effective July 1. That date coincides closely enough with the expiration of most current cottonseed sampling licenses that any new or renewed cottonseed sampling licenses issued for the 1994 crop will be effective for five years.

The final rule appears in the May 20 Federal Register. For more information contact Lee Cliburn, Cotton Division, AMS, USDA, Rm. 2641-S, P.O. Box 96456, Washington, D.C. 20090-6456; tel. (202) 720-2145.

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Release No. 0406.94 Kendra Pratt (301) 436-4898 Jerry Redding (202) 720-6959

#### USDA BANS IMPORTATION OF MEXICAN HOLSTEIN STEERS AND SPAYED HEIFERS

WASHINGTON, May 24--The U.S. Department of Agriculture has placed a ban on the importation of Holstein steers and spayed heifers from Mexico because of the higher incidence of tuberculosis in this breed compared to other imported cattle.

"We feel that this ban will drastically reduce the number of tuberculosis-infected cattle found at slaughter in the United States," said Donald Luchsinger, acting deputy administrator for veterinary services in USDA's Animal and Plant Health Inspection Service.

Since 1991, more than half of all cattle found infected with tuberculosis at slaughter at U.S. plants were originally imported from Mexico. Additionally, 67 percent of these TB-infected imports are Holsteins, a breed of dairy cattle. Approximately one million Mexican cattle are imported annually, of which an estimated 12 percent are Holsteins. The level of TB infection at Mexican dairies is higher than 20 percent, according to reports from Mexican cattle associations.

Bovine tuberculosis is an infectious disease caused by Mycobacterium bovis, which can cause disease in many animal species, such as cattle, bison, deer and elk. Tuberculosis causes weight loss, debilitation, respiratory problems and sometimes death. Although the current resurgence of human tuberculosis is caused by a different bacteria than M. bovis, humans can contract bovine tuberculosis by inhaling aerosols expired by infected animals or through consumption of unpasteurized milk.

The final rule to ban imports of Mexican holstein steers and spayed heifers was published in the May 13 Federal Register and becomes effective June 13.



Release No. 0407.94 Becky Unkenholz (202) 720-8998 Jerry Redding (202) 720-3310

#### USDA PROPOSES TO INCREASE ASSESSMENTS ON IMPORTED PORK

WASHINGTON, May 25--The U.S. Department of Agriculture is proposing to increase assessments on imported pork and pork products. The increase is two-hundredths of a cent per pound, or the equivalent of four-hun-dredths of a cent per kilogram.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the proposed increase reflects the 7 percent increase in hog prices paid at major U.S. markets last year. The rate of assessment, which was increased from 0.25 to 0.35 of one percent of market price effective Dec. 1, 1991, remains unchanged.

"This proposed change will bring importer assessments more in line with those being paid by domestic producers," Hatamiya said.

Assessments on imported pork and pork products are established by formula each year, based on U.S. market prices for hogs. Assessments on domestic and imported pork are authorized by the Pork Promotion, Research and Consumer Information Act of 1985. The assessments fund research and promotional activities designed to strengthen the position of pork in the marketplace.

The proposed changes appeared in the May 13 Federal Register. Comments, postmarked no later than June 13, may be sent to Ralph L. Tapp, Chief; Marketing Programs Branch, Livestock and Seed Division, AMS, USDA, Rm. 2624-S, P.O. Box 96456, Washington, D.C. 20090-6456; tel. (202) 720-1115. Copies of the proposed rule and additional information are avail-able from the same address.



Release No. 0408.94 Gil High (202) 720-8998 Jerry Redding (202) 720-6959

#### USDA PROPOSES INCREASED SERVICE FEES FOR PROCESSED FRUITS AND VEGETABLES

WASHINGTON, May 25--The U.S. Department of Agriculture is proposing to increase service fees for certain voluntary inspection, grading and certification of processed fruits and vegetables.

The increases would affect all processors who request grading services, including those who have signed term contracts, said Lon Hatamiya, administrator of USDA's Agricultural Marketing Service.

The proposal would raise the basic hourly rate from the current \$37 to \$39.50 for those users who have not signed term contracts for services.

For those having signed term contracts, the charges would be:

- -- \$34 per hour for yearly in-plant, full-time services (40 hours per week), up from \$32;
- -- \$39.50 per hour for full-time, in-plant services of less than a year but more than four week's duration, up from \$37; and
  - -- \$22 per hour for an in-plant sampler, up from \$20.

Plants using the services for fewer than four weeks per year will be charged the non-contract hourly rate of \$39.50, Hatamiya said.

Major factors contributing to the increases are congressionally mandated salary increases for federal employees, said Hatamiya. The Agricultural Marketing Act of 1946 requires that fees be reasonable and, as nearly as possible, cover the cost of rendering services.

Notice of the increases appeared as a proposed rule in the May 24 Federal Register. Copies and further information may be obtained from James Rodeheaver, Fruit and Vegetable Division, Processed Products Branch, USDA, Agricultural Marketing Service, Room 0709-S, P.O. Box 96456, Washington, DC 20090-6456; telephone (202) 720-4693.



Release No. 0409.94 Gil High (202) 720-8998 Jerry Redding (202) 720-6959

#### USDA PROPOSES AMENDMENTS TO FEDERAL SEED ACT REGULATIONS

WASHINGTON, May 25--The U.S. Department of Agriculture has announced a hearing on proposed amendments to the Federal Seed Act (FSA) regulations.

The hearing will begin at 10 a.m., June 8, at USDA Headquarters, Room 3501, South Building, 14th and Independence SW, Washington, DC.

USDA proposed the amendments to eliminate potential conflicts between state and federal regulations that could inhibit the movement of seeds, said Lon Hatamiya, administrator of USDA's Agricultural Marketing Service.

The amendments would make the following changes to current regula-tions:

- ♦ Change germination evaluation descriptions and the testing method used to determine pure seed percentages in ryegrasses;
  - ◆ Add methods for testing coated seed and determining the presence of fungal endophyte in seed;
- Change the scientific and common names of several kinds of seeds to names most widely accepted in the scientific community and the seed trade:
- ◆ Add several kinds of agricultural and vegetable seeds to those now subject to the Federal Seed Act; and
  - Update standards for certified seed.

The Federal Seed Act is a truth-in-labeling law designed to protect farmers and consumers who buy seed, and regulates seed shipped in interstate commerce.

The proposed amendments are published in the May 17 Federal Regis-ter. Copies are available from James P. Triplitt, Chief, Seed Regulatory and Testing Branch, Bldg. 506, BARC-E, Beltsville, MD 20705, telephone (301) 504-9430.



Release No. 0410.94 J. Peter DeBraal (202) 219-0425 Maria Bynum (202) 720-5192

#### U.S. AGRICULTURAL LAND IS ABOUT 1 PERCENT FOREIGN-OWNED

WASHINGTON, May 26--Foreign interests owned 14.6 million acres, or slightly more than 1 percent of privately owned U.S. agricultural land as of Dec. 31, 1993, according to the U.S. Department of Agriculture's Economic Research Service. This percentage has stayed about the same since 1981. Acreage in foreign ownership in 1993 increased 1 percent (140,141 acres) from a year earlier.

About 53 percent of the reported foreign holdings involve land actually owned by U.S. corporations. The law requires them to register their landholdings as foreign if as little as 10 percent of their stock is held by foreign investors. The remaining 47 percent of the foreign-held land is owned by investors not affiliated with U.S. firms.

Because of the corporate holdings, an increase in foreign ownership from one year to another does not necessarily represent land newly acquired by foreigners. Nor do the numbers necessarily represent ownership exclusively by foreigners. A U.S. firm's landholdings can show up as "foreign owned" one year, but not another, as the firm's stock passes in and out of foreign hands. The land, however, is still owned by the same entity as before.

These and other findings are based on an analysis of reports submitted to USDA under the Agricultural Foreign Investment Disclosure Act of 1978.

The analysis also revealed:

- --Forest land accounts for 48 percent of all foreign-owned acreage; cropland, 17 percent; pasture and other agricultural land, 32 percent; and nonagricultural land, 3 percent.
- --Corporations (U.S. and foreign) own 71 percent of the foreign-held acreage; partnerships, 21 percent; and individuals, 6 percent. The remaining 2 percent is held by estates, trusts, associations, institutions, and others.

--Japanese investors own only 3 percent of the total foreign-held acreage, in contrast to 23 percent for Canadian investors, who lead. Investors (including individuals, corporations, partnerships, etc.) from Canada, the United Kingdom, Germany, France, Switzerland, the Netherlands Antilles, and the Netherlands own 72 percent of the foreign total.

--The largest foreign-owned acreage, mostly timberland, was reported in Maine. Foreign holdings account for 13 percent of Maine's privately owned agricultural land. These holdings represent 17 percent of all the reported foreign-owned land nationwide. Four companies own 88 percent of the foreign-held acres in Maine, all in forest land. Two are Canadian, the third is a U.S. corporation that is partially Canadian owned, and the fourth is a U.S. corporation that is partially French owned.

--Except for Maine, foreign holdings are concentrated in the West (35 percent) and South (34 percent). Rhode Island is the only State with no reported foreign-owned agricultural land.

--Ninety-four percent of the foreign-owned acreage will remain in agricultural production, according to the foreign owners. No change in tenure is reported for 46 percent of the acres, while some change is planned on 26 percent of the acres. "No response" accounted for 28 percent.

Table 1--U.S. agricultural landholdings of foreign owners, by State, December 31, 1993

```
: Foreign- ::
                                   Foreign- ::
                                                      : Foreign-
            owned
                                                         owned
                                    owned
State
          : agricul- ::
                       State
                                   agricul- ::
                                                      : agricul-
                                              State
          :tural land::
                                 : tural land::
                                                      :tural land
::
                                           ::
             Acres
                                    Acres
                                                          Acres
             447,859 ::Louisiana
                                    686,203 :: Oklahoma
                                                           58,422
Alabama
Alaska
                 75 :: Maine
                                 : 2,425,136 :: Oregon
                                                           736,289
             336,076 :: Maryland
                                     51,276 :: Pennsylvania:
                                                           59,318
Arizona
                                 :
Arkansas
             188,850 :: Massachusetts:
                                     1,988 :: Puerto Rico :
                                                              839
             920,754 :: Michigan
California
                                    205,830 :: R. Island
                                                                0
Colorado
             642,682 ::Minnesota
                                    216,646 :: S. Carolina :
                                                           194,190
                881 ::Mississippi
Connecticut :
                                    501,300 ::S. Dakota
                                                           42,666
              5,870 ::Missouri
                                     76,060 :: Tennessee
                                                           174,591
Delaware
Florida
             620,835 :: Montana
                                    563,562 :: Texas
                                                       : 1,185,931
                                    77,101 :: Utah
Georgia
             577,386 ::Nebraska
                                                           55,118
                  0 ::Nevada
                                    285.773 :: Vermont
                                                           121.057
Guam
                                    149,605 :: Virginia
             179,960 :: N. Hampshire :
                                                           112,032
Hawaii
Idaho
             22,375 :: New Jersey
                                    18,572 :: Washington
                                                           386,889
Illinois
            193,304 :: New Mexico
                                    783,872 :: W. Virginia :
                                                           111,138
             81,718 :: New York
                                    273,843 ::Wisconsin
Indiana
                                                           26,944
             31,792 :: N. Carolina
Iowa
                                    227,206 :: Wyoming
                                                          178,728
              76,202 :: North Dakota :
                                     29,468 ::
Kansas
              96,501 :: Ohio
                                    198,747 :: Total
Kentucky
                                                       :14,645,460
```

Table 2--U.S. agricultural landholdings by country of foreign owner, December 31, 1993

* * * * * * * * * * *	* :	* * * * >	* *	* * * * * *	* * *	* * *	* * * * * * *	
Country	:	Acres	::	Country		:	Acres	
* * * * * * * * * * *	* *	* * * *	* *	* * * * * * *	* * * *	* * *	* * * * * *	*
	:	Number	::			:	Number	
Interests excl. U.S.	:		::			:		
corporations with	:		::			:		
foreign shareholders	:		::	Lebanon		:	12,663	
Argentina	:	13,394	::	Liberia		:	29,632	
Australia	:	5.431	• • •	Liechtenstei	'n	•	133 947	

Austria	. 56 610		7 1	, , , , , ,		
Bahamas			Luxembourg	: 4,005		
Bahrain			Malaysia	7,948		
Barbados			Mexico	: 178,235		
Belgium			Morocco	: 1,035		
	·		Namibia	: 197		
Belize			Netherlands	: 116,611		
Bermuda	·		Netherlands Antilles	•		
Bolivia			New Zealand	: 13,587		
Brazil			Nicaragua	: 1,378		
British Virgin Islands	•			: 5,713		
	:1,643,527			: 454		
Cayman Islands	·		Pakistan	: 968		
Chile	: 2,074	::	Panama	: 165,182		
China	: 496	::	Peru	: 308		
Colombia	: 11,414	::	Philippines	: 3,680		
Costa Rica	: 13,835	::	Poland	: 147		
Croatia	: 1,023	::	Portugal	: 3,996		
Cuba	: 20	::	Russia	: 761		
Czech Republic	: 350	::	St. Vincent	: 2,637		
Denmark	: 13,283	::	Saudi Arabia	: 30,498		
Dominican Republic	: 2,128	::	Singapore	: 504		
Ecuador	· ·		Somalia	: 11		
Egypt	: 2,134	::	South Africa	: 2,473		
El Salvador	•		Spain	: 3,890		
Finland			Sweden	: 54,549		
France			Switzerland	: 287,383		
Gambia	•		Syria	: 2,689		
Germany	: 749,818			: 7,949		
Greece	•		Tanzania	: 10,143		
Guatemala	•		Thailand	: 1,835		
Guyana	·		Trinidad & Tobago	: 94		
Honduras			Turkey	: 38		
Hong Kong			Turks Island	: 3,192		
Hungary	•		United Arab Emrates	: 3,930		
India			United Kingdom	: 1,821,310		
	•			•		
Indonesia			Uruguay	: 10,807		
Iran	•		Venezuela	: 22,279		
Ireland	· ·		Vietnam	: 152		
Israel			Zimbabwe	: 230		
Italy	: 83,250			•		
Ivory Coast	: 119			•		
Jamaica	: 1,631			•		
Japan	: 199,915			:		
Jordan	: 1,580			:		
Kampuchea			Multiple 1/	: 56,285		
Korea (South)	·		Third tier 2/	: 66,317		
Kuwait	: 20,188			:		
Laos	: 31		Subtotal 3/	: 6,836,009		
* * * * * * * * * * *		::		•		
See footnotes at end of table. Continued						

Table 2--U.S. agricultural landholdings by country of foreign owner, December 31, 1992 -- Continued Country Acres :: Country Acres Number Number :: U.S. corporations with: :: US/Lebanon foreign shareholders 703 26,733 US/Andorra 3,741 :: US/Liberia 4,507 :: US/Libyan Arab Republic: 280 US/Argentina 2,408 :: US/Liechtenstein 98,841 US/Australia 21,272 :: US/Luxembourg 233,655 US/Austria US/Bahamas 61,354 :: US/Malaysia 300 249,783 US/Barbados 41 :: US/Mexico 89,031 :: US/Netherlands 369,802 US/Belgium 38,986 :: US/Netherlands Antilles: 220,550 US/Bermuda 14,400 :: US/New Hebrides 2,991 US/Brazil 133,340 :: US/New Zealand 50,455 US/Brit. Virgin Islands : :1,688,757 :: US/Nicaragua 282 US/Canada 9,709 US/Cayman Islands 11,969 :: US/Norway 151,969 9,929 :: US/Panama US/Chile 15,589 :: US/Paraguay US/China 236 US/Colombia 10,154 :: US/Peru 1,696 US/Costa Rica 407 US/Philippines 7,793 US/Denmark 6,998 :: US/Portugal 1,683 219 US/Ecuador 1,632 :: US/Qatar : 959 :: US/Saudi Arabia 10,648 US/Egypt : US/El Salvador 607 :: US/South Africa 2,573 2,282 :: US/Spain US/Finland 4,574 947,878 :: US/Sweden US/France 7,185 US/Germany 744,734 :: US/Switzerland 326,529 5,249 :: US/Taiwan US/Greece 17,528 412 :: US/Thailand US/Guatemala 252 334 :: US/Trinidad & Tobago US/Guyana 20 37 :: US/Turkey US/Honduras 443 131,139 :: US/United Arab Emirates: 3,223 US/Hong Kong US/Indonesia 544 :: US/United Kingdom 1,134,074 : 1,861 :: US/Uruguay US/Iran 618 800 :: US/Venezuela US/Iraq 40,269 US/Ireland 4,655 :: US/Multiple 177,399 US/Israel 414 :: US/Italy 22,504 :: 281,770 :: US/Third Tier US/Japan 386,861 US/Jordan 434 :: US/Kenya 32 :: Subtotal 4/ 7,809,451 US/Korea (South) 85 :: US/Kuwait 8,330 :: Total all landholdings : 14,645,460

<sup>1/</sup> A report is processed as "multiple" when no single country predominates--for example, an equal partnership between a Canadian and a German.

<sup>2/</sup> A report is processed as "third tier" if three or more levels of ownership are reported with no foreign interests stated.

<sup>3/</sup> Total interests excluding U.S. corporations with foreign shareholders.

<sup>4/</sup> Total interest of U.S. corporations with foreign shareholders.

Release No. 0411.94 Priscilla Glynn (202) 690-2146 Maria Bynum (202) 720-5192

#### USDA TO SURVEY THE NATION'S FARMS AND RANCHES IN JUNE

WASHINGTON, May 26--The U.S. Department of Agriculture plans to survey the Nation's farms and ranches during the first half of June.

The survey, to be conducted by USDA's National Agricultural Statistics Service, is the largest in a series conducted throughout the agricultural season to determine crop production and stocks, and livestock inventories. It is also one of the most comprehensive surveys that agency carries out.

"This year's June survey is particularly important because it follows last year's flooding in the Midwest and drought in the Southeast," said Fred Vogel, head of NASS's Estimates Division. "It will provide the first clear indications of acreage planted and potential production of major crops for 1994."

The June survey also will provide producers with valid information about the outlook for crop supplies and livestock marketings.

The results of NASS's surveys also have considerable influence on trade policies. "In deliberations on the North American Free Trade Agreement and the General Agreement on Tariffs and Trade, for example," said Fred Barrett, who heads NASS's network of State offices, "the survey information has been used to assess where the United States stands in relation to other countries in production and stocks of major commodities."

About 125,000 farmers and ranchers will be contacted to provide the information needed to make State, regional, and national estimates of crop acreage planted, grain in storage, and cattle and hog inventories. Local interviewers trained by NASS will carry out the survey through personal or telephone interviews.

From the NASS State offices, the information will be summarized and sent to NASS's headquarters office, where it will be analyzed and released in a series of reports.

Information on individual enterprises is kept private. Sophisticated measures are followed to ensure that the official estimates remain confidential until they are released to the public.



Release No. 0413.94 Steve Kinsella (202) 720-4623 Mary Dixon (202) 720-4623

# RAW GROUND MEAT AND POULTRY PRODUCTS MUST HAVE SAFE COOKING AND HANDLING LABELS BEGINNING FRIDAY, MAY 27

(ESPY: SAFE COOKING AND HANDLING LABELS FOR RAW MEAT AND POULTRY MARK A VICTORY FOR CONSUMERS)

WASHINGTON, May 26 -- Agriculture Secretary Mike Espy today called the mandating of safe cooking and handling labels for meat and poultry, which must be placed on all raw ground product tomorrow, "a victory for consumers."

"After 20 years of discussions on whether to provide consumers with vital information about meat and poultry products, this administration has ended the debate and has taken action to help American families," said Espy. "The safe cooking and handling labels will better educate the consumer that meat and poultry could contain dangerous bacteria, and they list basic cooking and handling instructions. This will help consumers protect themselves and their families."

Beginning tomorrow, Friday, May 27, USDA is mandating that the packaging of all raw and not-ready-to-eat ground meat and poultry must include a safe cooking and handling label designed by the department. The label will be mandated on the packaging of all other cuts of raw and not-ready-to-eat meat and poultry on July 6. Over the past several months, with urging from Espy, some companies voluntarily placed the label on their products.

The label's preamble states: "Some food products may contain bacteria that could cause illness if the product is mishandled or cooked improperly." This statement was placed on the label to emphasize for the consumer the importance of the safe cooking and handling instructions. The label further notes that raw meat and poultry should be: refrigerated or frozen and thawed in a refrigerator or microwave; kept separate from other foods and working surfaces (while hands and utensils should be washed after touching raw meats); cooked thoroughly; and refrigerated immediately or discarded.

"As we move our meat and poultry inspection systems to science-based systems and as we learn how to better detect harmful bacteria in the meat and poultry supply, we must keep the consumer aware about safe cooking and handling procedures," said Espy. "I want to emphasize, however, that this label does not affect our continuing responsibility to improve the meat and poultry inspection system. It also does not relieve industry from the responsibility to sell safe products."

In addition to the label, which will appear on more than 15 billion packages annually, USDA is conducting several other safe cooking and handling education campaigns. The USDA recently distributed 9,000 safe cooking and handling information packets to fast-food chains around the nation and sent public service announcements to 5,500 radio stations. The radio PSA's feature a Washington State couple who lost a child due to E.coli O157:H7 in January, 1993. Espy also launched an educational campaign in conjunction with the National Association of School Nurses which includes sending more than 2 million post cards to families around the nation. The cards list basic information about safe cooking and handling and state that hamburgers should only be eaten if they are cooked until they are brown in the middle.

Since coming to office last year, Espy has made several improvements to the meat and poultry inspection system including: initiating surprise inspections of meat and poultry plants; enforcing a zero tolerance policy for fecal matter; emphasizing public health with the creation of a Food Safety and Inspection Service public health division with epidemiologists; and moving toward creating a new system using scientific microbiological testing in the plants. Microbiological tests are now being used during inspections of equipment in the plants and a team of USDA scientists are developing a rapid microbiological test that can be used to detect contamination on meat and poultry.

#

Release No. 0414.94 Mary Dixon (202) 720-4623 Neal Flieger (703) 305-2039

#### USDA STUDY SHOWS THAT ELECTRONIC BENEFITS TRANSFER IS WORKING IN MARYLAND

WASHINGTON, May 27--One year after Maryland expanded its demonstration project on the use of electronic benefits transfer (EBT) to provide food stamps and other benefits statewide, the state's computerized Independence Card system is saving money and winning praise from program participants, retailers and banks, said Secretary of Agriculture Mike Espy.

The U.S. Department of Agriculture and the State of Maryland today jointly released a study evaluating the EBT demonstration program's first year of statewide operation. Maryland began using EBT on a pilot basis in 1989 and completed statewide expansion of the project in May of last year.

In addition to food stamp benefits, the state's Independence Card system provides cash benefits for five other federal and state assistance programs. USDA, which administers the Food Stamp Program in cooperation with the states, shared the cost of developing the system.

"Maryland's experience shows EBT can do the job," Espy said. "This evaluation confirms that EBT is popular with the people who use it, and that it can save money."

Espy has called for all states to develop plans for EBT by 1996, and more than 30 states have initiated projects or are in various stages of planning. He said that the Maryland study comes just as Vice President Al Gore's national task force on EBT is preparing to deliver its report, expected to be released next week.

Espy said the Maryland evaluation showed that recipients, retailers and banks preferred the EBT system by a margin of at least eight to one. The cost of delivering food stamp benefits was decreased by nearly \$1.3 million annually, he said, and overall savings for all the assistance programs was about \$120,000.

Ellen Haas, assistant secretary of agriculture for food and consumer services, said EBT brings low-income people into the economic mainstream.

"EBT vastly improves service to our customers," Haas said. "It gives them convenience and dignity in receiving their benefits."

In addition, she said, it greatly simplifies the accounting process for retailers, bankers and the federal government.

"The Food Stamp Program uses billions of paper coupons every year," Haas said. "Food stamps must be printed, transported, and safeguarded. They must be handled and counted repeatedly, and the accounting is enormously complex.

"EBT eliminates all that, and gives us new tools to fight fraud, theft and mistakes."

Under an EBT system, people apply for food stamps as they always have. Once their eligibility is determined, an account is established for their benefits. They are issued a plastic card, similar to a bank card, and they select a personal identification number (PIN). The card and the PIN number are used at the grocery checkout to debit the benefits account by the amount of the purchase.

"EBT is a clear example of using modern technology to reinvent a federal program," said William Ludwig, administrator of USDA's Food and Nutrition Service. "This evaluation shows Maryland's system will pay for itself, perhaps in as little as three years."

Other major findings of the Maryland study include:

- -- A large-scale EBT system, using a single card to provide benefits for multiple programs, is feasible.
  - -- The Maryland system maintained a high quality of service.
- --Diversion of food stamp benefits to ineligible purchases was reduced by 42 percent, due in large part to the elimination of cash change for purchases of less than one dollar.
- --Food stamp issuance costs were substantially reduced, but higher costs for the cash assistance programs held overall savings to about 3.9 cents per case per month.
  - --EBT costs more to implement in non-metropolitan areas, but saved money statewide.

\* \* \* \* \*

Release No. 0415.94 Alicia L. Ford(202) 720-8998 Jerry Redding (202) 720-6959

#### **ESPY APPOINTS FLUE-CURED TOBACCO ADVISORY COMMITTEE**

WASHINGTON, May 27 -- Secretary of Agriculture Mike Espy has named 39 members and their alternates to the Flue-Cured Tobacco Advisory Committee. The members and alternates will serve two-year terms ending Feb. 13, 1996.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service (AMS) said the committee makes recommendations to the Secretary of Agriculture on the equitable assignment of tobacco inspectors to all designated markets for flue-cured tobacco.

Under the Tobacco Inspection Act, tobacco must be officially inspected in order to be auctioned at any designated market, Hatamiya said.

The Flue-Cured Tobacco Advisory Committee, established in 1974, is authorized under the Federal Advisory Committee Act. The committee reports to the director of AMS's Tobacco Division. Committee members represent flue-cured tobacco producers, buyers and warehousemen.

Newly appointed producer members and their alternates are: Robert Benjamin Braswell, Ochlocknee, Ga., and alternate Homer Lewis Lanier, Metter; Gary Lynn Walker, TyTy, Ga., and alternate Barry Blane McMillan, Alapaha; Anna Belle Morris, Snow Hill, N.C., and alternate Maxie Jerome Lanier Jr., Burgaw; Jimmie Moore Parrish, Edenton, N.C., and alternate Harold Charles Robinson, Supply; Atlas Ward Wooten, Greenville, N.C., and alternate Bennie Ray Gupton, Louisburg; Eunice Williamson Bass, Newton Grove, N.C., and alternate Thomas Watkins Allen, Creedmoor; Edwin Jarold Humphrey, Shannon, N.C., and alternate Charles Mosley Lambeth, Greens-boro; Floyd Coleman Worley, Nichols, S.C., and alternate Norwood Leonard Durant Jr., Gable; Sidney Lawrence Davenport, Greenville, N.C., and alternate John William Carter III, Eagle Springs; Ann Thomas Overby, South Hill, Va., and alternate

Robert Hall Spiers, Stony Creek; Donald Lee Moore, Chatham, Va., and alternate Donnie Lawson Anderson, South Boston.

Newly appointed buyer members and their alternates are: Marvin Linwood Gordon, Richmond, Va., and alternate Bruce Bennett Arnold, Midlothian; Robert Donald McElveen, Winston-Salem, N.C., and alternate Benny Lee Powell, Clemmons; Edward Matthew Schaaf III, Richmond, Va., and alternate William Phillip Dalton, Oxford; Douglas Edward Knott, Fuquay-Varina, N.C., and alternate Keith Parker Yates, Loris; Richard Dean Smith, Greenville, N.C., and alternate Dale Brent Tilley, Ararat; Robert White Hodge, Farmville, N.C., and alternate Roman Earl Justice Jr., Pink Hill.

Newly appointed warehouse members and their alternates are: Richard Poston Coleman, Tabor City, N.C., and alternate Alvin Dawson Lewis III, Fairmont; Johnnie Edward Beaman, Snow Hill, N.C., and alternate John Frederick Deans, Wilson; Richard Alexander Gray, Goldsboro, N.C., and alternate Spencer Staton Edmondson Jr., Rocky Mount; Samuel Ford Brewer, Lake City, Fla., and alternate Norman Prestridge Swain, Live Oak; Thomas Eugene Barham, Wake Forest, N.C., and alternate James Bryant Cottrell, Louisburg; Roger Lewis Nichols, Mount Airy, N.C., and alternate George Wallace Roberts, Lawrenceville; John Bert Cockerham, Mount Airy, N.C., and alternate William Wade Jessup, Pilot Mountain.

Reappointed producer members and their alternates are: Ernest Richard Terry, Madison, Fla., and alternate James Monroe Holtzclaw, O'Brien; Gene Francis Sears, Apex, N.C., and alternate Jackie Ellis Thompson, Wake Forest; Leland McKinley Simmons, Newport, N.C., and alternate Walter Graham Smith, Saint Pauls; Donell Franklin Stancil, Kenly, N.C., and alternate James Larry Barbour, Clayton; Jay Frank Bryant, Boonville, N.C., and alternate Josh Jordan, Candor; Harold Russell Wright, Bladenboro, N.C., and alternate Robert Earl Hale, Enfield; Frances Burke Davis, Greensboro, N.C., and alternate Alwood Byron Ervin, Richlands; Margie Humphrey Spivey, Lumberton, N.C., and alternate Jethro Columbus Stanley, Carthage; Raymond Leslie Galloway Jr., Darling-ton, S.C., and alternate Charles Edward Phillips III, Lynchburg; Lonzo Israel, Nichols, S.C., and alternate Rogers Legrand Hammond, Nichols.

Reappointed buyer members and their alternates are: Benjamin Patrick Horsley, Dry Fork, Va., and alternate James Thomas Watkins, Greensboro; Alfred Francis Rehm Jr., Wilson, N.C., and alternate Major Leonidas Gore, Oxford.

Reappointed warehouse members and their alternates are: Melvin Eli Parker, Smithfield, N.C., and alternate Carson Dane Perkins Sr., Nash-ville, Ga.; Robert Brooker Battle, Nichols, S.C., and alternate Joseph Willis King, Johnsonville; George Walter Abbott, Darlington, S.C., and alternate Johnnie Edward Mozingo Jr., Lamar.

**\* \* \* \* \*** 

Release No. 0416.94 Jacque Knight (202) 720-9113 Irene Goins (202) 720-9113

#### USDA SEEKS COMMENTS ON LABELING FOR GROUND BEEF AND HAMBURGER

WASHINGTON, May 27--The U.S. Department of Agriculture is seeking public comments on a petition to allow ground beef to carry "percent lean/percent fat" labeling statements accompanied by nutrition information.

"We have been petitioned by the meat industry to include the "percent lean/percent fat" statement on ground beef and hamburger products," said Terry Medley, acting administrator of USDA's Food Safety and Inspection Service. "Because much controversy surrounds labeling of ground beef and hamburger, we are seeking input from consumers to see if they feel strongly about having the labeling statement and nutrition information on these products."

While new regulations that go into effect on Aug. 8 allow manufacturers to voluntarily use nutrition labeling on ground beef and hamburger, nutrient content claims such as "lean," "extra lean," or "percent lean" could not be made unless the products meet the criteria for these claims.

Current standard for the term "lean" is less than 22.5 percent fat. To be labeled "lean" under the nutrition regulation, ground beef must contain, among other things, less than 10 grams of fat per serving. To be labeled "extra lean" it must contain less than 5 grams of fat per serving. To be labeled with "percent lean," an individual product must be "low fat" with 3 grams or less fat per serving.

The proposal was published in the May 24 Federal Register. Comments on the proposal should be submitted by July 8, to: Policy Office, FSIS Hearing Clerk, ATTN: Diane Moore, Room 3171 South Building, Food Safety and Inspection Service, USDA, Washington, D.C. 20250.

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## **Program Announcements-**

Release No. 0396.94 Kendra Pratt (301) 436-4898 Jerry Redding (202) 720-6959

#### USDA COMMITTEE ON FOREIGN ANIMAL AND POULTRY DISEASES TO MEET JUNE 28-30

WASHINGTON, May 19--The U.S. Department of Agriculture's Secretary's Advisory Committee on Foreign Animal and Poultry Diseases is scheduled to meet from June 28 to 30 in Laurel, Md. The committee advises the Secretary of Agriculture on means to suppress, control or eradicate outbreaks of foreign animal or poultry diseases in the United States. The committee also provides advice on ways to prevent the introduction of these diseases.

The 1994 committee consists of 20 members who represent the livestock and poultry industries, private-practice veterinarians, academia, the American Veterinary Medical Association, the American Farm Bureau Federation and state departments of agriculture.

Tentative topics for discussion include the following: trade issues; the world animal disease situation, including hog cholera in Mexico; regionalization and risk assessment in international trade; emergency response for food safety issues involving residues, natural disasters, or other threats; an avian influenza update; and bovine spongiform encephalopathy.

The committee meetings are to be held in the Harbor Room of the Comfort Suites Laurel Lakes from 8 a.m. to 5 p.m. on June 28 and 29 and from 8 a.m. to noon on June 30. The hotel address is 14402 Laurel Place, Laurel, Md. 20707; the telephone number is (301) 206-2600.

Notice of the meeting was published in the May 13 Federal Register.

This meeting is open to the public. Written statements concerning meeting topics may be filed with the committee before the meeting with Dr. John L. Williams, Chief Staff Veterinarian, Emergency Programs, Veterinary Services, APHIS, VS, USDA, Room 747 Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782. Comments may also be filed at the time of the meeting. Comments should include a reference to docket number 94-031-1.



Release No. 0399.94 Bruce Merkle (202) 720-8206 Wayne Baggett (202) 720-2032

USDA ANNOUNCES 1994 ASSESSMENTS FOR VA. FIRE-CURED, SUN-CURED TOBACCOS

WASHINGTON, May 19--Producers of 1994-crop Virginia fire-cured (type 21) and sun-cured (type 37) tobaccos must pay no-net-cost assessments for deposit into no-net-cost accounts on all marketings, according to Grant Buntrock, executive vice president of the U.S.

Department of Agriculture's Commodity Credit Corporation.

No-net-cost assessments are 7.2965 cents per pound for Virginia fire-cured (type 21) and 7.3775 cents per pound for sun-cured (type 37) tobaccos. The assessments ensure that the tobacco price support program will be operated at no net cost to taxpayers.

The no-net-cost assessment is in addition to the marketing assessment of 1.407 cents per pound for Virginia fire-cured (type 21) and 1.245 cents per pound for sun-cured (type 37). The marketing assessment obligation will be shared equally between producers and purchasers, with each paying .7035 cent per pound for Virginia fire-cured (type 21) and .6225 cent per pound for sun-cured (type 37) tobaccos.

The no-net-cost assessment, plus the 1994 marketing assessment, means that a total of 8 cents per pound will be collected from producers on each pound of Virginia fire-cured (type 21) and sun-cured (type 37) tobaccos marketed from the 1994 crop.

The Commodity Credit Corporation consulted with the Dark Tobacco Sales Cooperative, the producer-owned association through which price support is made available for Virginia fire-cured (type 21) and sun-cured (type 37) tobaccos, before reaching a final determination.



Release No. 0400.94 Robert Feist (202) 720-6789

#### USDA ANNOUNCES COUNTY LOAN RATES FOR 1994-CROP MINOR OILSEEDS

WASHINGTON, May 19--The U.S. Department of Agriculture's Commodity Credit Corporation today announced county price support loan rates for the 1994 crops of mustard seed, safflower seed, oil sunflower seed and other types sunflower seed.

Copies of the rate schedules are available from: Thomas Fink, Cotton, Grain and Rice Price Support Division, USDA/ASCS, P.O. Box 2415, Washington, D.C. 20013; Telephone (202) 720-8701.

The loan rates were established in accordance with provisions of the Agricultural Act of 1949 and reflect the 1994 national average price support of \$8.70 per hundredweight for each type of oilseed.



Release No. 0401.94 Bruce Merkle (202) 720-8206 Wayne Baggett (202) 720-2032

#### USDA ANNOUNCES 1994-CROP FLUE-CURED TOBACCO GRADE LOAN RATES

WASHINGTON, May 19--The U.S. Department of Agriculture's Commodity Credit Corporation today announced grade loan rates for the 1994-crop of flue-cured tobacco, based on the price support level of \$1.583 per pound.

The 1994-crop grade loan rates range from \$1.03 to \$1.92 per pound. The 1993-crop grade loan rate range was \$1.04 to \$1.92 per pound and was based on a price support of \$1.577 per pound. The 1994 grade loan rates reflect minor adjustments from the 1993 rates due to changes in the level of price support and shifts in the historical average grade distribution.

The Flue-Cured Tobacco Cooperative Stabilization Corporation will deduct one cent per pound from the grade loan rates for administrative overhead costs.

Loans are not available on flue-cured tobacco identified by a 1994 Tobacco Marketing Card bearing the notation "No Price Support," or "Discount Variety - No Price Support."

For tobacco identified by a 1994 Tobacco Marketing Card bearing the notation "Discount Variety - Limited Support," the applicable rates are one-half of the rates quoted in the schedule plus 50 cents per hundred pounds. Any grade to which the special factor "sand" or "dirt" is added (denoting a moderate amount of sand or dirt in excess of normal) may be accepted at 90 percent, rounded to the nearest cent of the rate listed in the attached schedule.

Also, loans are unavailable on tobacco graded P5L, P5F, P5G, N1L, N1GL, N1XL, N1XO, N1PO, NO-G (no grade), N2 (second quality nondescript), W (doubtful keeping order), U (unsound) or scrap. However, marketings of these low grades will be charged against the quotas established for farms on which they were produced.

## 1994 CROP FLUE-CURED TOBACCO PRICE SUPPORT SCHEDULE

	LOAN		LOAN		TOAN
GRADE	RATE	GRADE		CDADE	LOAN
GRADE			RATE	GRADE	RATE
B1L	192	B3KF	farm sales	_	170
B2L	190	B4KF	170 166	C1L C2L	178
B3L	187	B5KF	156		177
B4L	184			C3L	172
B5L		B6KF	149	C4L	166
	177	D 2 1717	160	C5L	161
B6L	174	B3KK	169	01 P	170
D1D	100	B4KK	163	C1F	178
B1F	192	B5KK	154	C2F	177
B2F	190	B6KK	145	C3F	172
B3F	187			C4F	166
B4F	184	B5R	151	C5F	161
B5F	177			•	
B6F	174	B4KV	160	C4KR	160
		B5KV	150		
B1FR	191	B6KV	141	C4V	158
B2FR	188			C4KM	157
B3FR	186	B3KD	167	C4S	156
B4FR	182	B4KD	159		
B5FR	176	B5KD	147	C4KL	155
B6FR	173	B6KD	139	C4KF	155
				C4KK	154
в3к	181	B4G	153		
B4K	179	B5G	145	C4LL	148
B5K	172	B6G	137	C5LL	142
B6K	163	200	13,	0322	2.2
DOR	103	B4GK	151	C4G	144
		B5GK	144	C4GK	139
B3KR	180	B6GK	134	C5LP	135
B4KR	175	DOGK	134	03.11	133
B5KR	167	B5GR	130	C5FP	135
AACG	107	DJGK	150	OJFI	155
				X1L	172
n 0 * *	170	B C C C	100		
B3V	178	B5GG	. 126	X2L	164
B4V	172		107	X3L	160
B5V	165	H3F	187	X4L	149
		H4F	184	X5L	136
B3KM	174	H5F	177		4-4
B4KM	171	H6F	174	X1F	172
B5KM	164			X2F	164
B6KM	153	H4FR	182	X3F	160
		H5FR	176	X4F	149
B3S	171	H6FR	173	X5F	136
B4S	166				
B5S	156	H4K	179	X3KR	156
		H5K	172	X4KR	148
B3KL	170	н6К	163		
B4KL	166			X3V	153
B5KL	156			X4V	145
B6KL	149				

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1994 CROP FLUE-CURED TOBACCO PRICE SUPPORT SCHEDULE

LOAN		LOAN		LOAN
RATE	GRADE	RATE	GRADE	RATE
(cents per	pound farm	sales weight)		
148	P2L	147	M4KM	134
139	P3L	137	M5KM	130
	P4L	133		
147			M4GK	123
137	P2F	147	M5GK	115
	P3F	137		
134	P4F	133	N1K	128
134			N1R	122
	P4G	117		
139			N1GF	111
133	M4F	147	N1GR	112
130	M5F	137	N1KV	113
			N1GG	103
129	M4KR	135	N1BO	115
125				
128				
	RATE (cents per 148 139  147 137  134 134 139 133 130  129 125	RATE GRADE (cents per pound farm 148 P2L 139 P3L P4L 147 137 P2F P3F 134 P4F 134 P4G 139 133 M4F 130 M5F	RATE GRADE RATE (cents per pound farm sales weight) 148	RATE GRADE RATE GRADE  (cents per pound farm sales weight)  148

\* \* \* \* \*

Release No. 0405.94 Gene Rosera (202) 720-6734

#### USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, May 24--Under Secretary of Agriculture Eugene Moos today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

--long grain whole kernels:
--medium grain whole kernels:
--short grain whole kernels:
--broken kernels:

9.76 cents per pound

11.57 cents per pound

11.43 cents per pound

4.88 cents per pound

Based upon these milled rice world market prices, loan deficiency payment (LDP) rates, gains from repaying price support loans at the world market price, and marketing certificate rates are:

	Loan Gain and	Marketing
	LDP Rate	Certificate Rate
	\$/	Cwt
for long grain:	\$0.61	\$0.00
for medium grain:	\$0.00	\$0.00
for short grain:	\$0.00	\$0.00

The announced prices and rates are effective today at 3:00 P.M. EDT. The next scheduled price announcement will be made May 31, 1994 at 3:00 P.M. EDT.

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# USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON

WASHINGTON, May 26--Grant Buntrock, executive vice president of USDA's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price or AWP), for Strict Low Middling (SLM) 1-1/16 inch (leaf grade 4, micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality), and the coarse count adjustment (CCA) in effect from 5:00 p.m. today through 3:59 p.m. Thursday, June 2. The user marketing certificate payment rate announced today is in effect from 12:01 a.m. Friday, May 27 through midnight Thursday, June 2.

This period represents Week 2 of the 6-week transition period from using current shipment prices to using forward shipment prices in the AWP calculation. The procedure was adopted to avoid a dramatic change in the AWP that could occur with no transition period due to differences between new and old crop price quotations. This procedure is also used to calculate the U.S.

Northern Europe (USNE) price for the purpose of determining the maximum allowable adjustment to the AWP under the Step 1 provision. For Weeks 1 and 2, the Northern Europe (NE) price =  $[(2 \times NE)]$  current price) + NE forward price]/3. The USNE price =  $[(2 \times USNE)]$  current price) + USNE forward price]/3.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. Because this week's calculated AWP is equal to 136.5 percent of the 1993 upland cotton base quality loan rate, a further adjustment cannot be made.

Because both current and forward NE coarse count prices are not yet available, the CCA is calculated using the NE current price and the only NE coarse count price available.

This week's AWP and CCA are determined as follows:

Adjusted World Price			
NE Price		85.18	
Adjustments:			
Avg. U.S. spot market location11.9	1		
SLM 1-1/16 inch cotton 1.5	0		
Avg. U.S. location 0.3	1		
Sum of Adjustments	-	13.72	
ADJUSTED WORLD PRICE		71.46	cents/1b.
Coarse Count Adjustment			
NE Price Current Price		86.72	
NE Coarse Count Price	_	84.38	
		2.34	
Adjustment to SLM 1-1/32 inch cotton	_	3.20	
		0.86	
	~	0.00	
	<u>-</u>	2.34 3.20	

Because the AWP is above 52.35 cents per pound--the base quality loan rate for both the 1992 and 1993 marketing years--the loan repayment rate during this period is equal to the loan rate, adjusted for the specific quality and location plus applicable interest and storage charges. The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP is above the 1993-crop loan rate, loan deficiency payments are not available during this period.

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This week marks the second week of the 3-week spring transition period during which consecutive 4-week Friday-through-Thursday periods contain a combination of NE price quotations only for 1 to 3 weeks and both NE current prices and NE forward prices only for 1 to 3 weeks. During this spring transition period, the user marketing certificate payment rate is based on the difference in the fourth week between the USNE current price and the NE current price, minus 1.25 cents. The payment is applicable during the Friday-through-Thursday period for bales opened by domestic users and for cotton contracts entered into by exporters for delivery prior to Sept. 30.

The USNE price has exceeded the NE price by more than 1.25 cents per pound for four consecutive weeks, but not all of the previous four AWP's have been less than 130 percent of the 1993 crop year base quality loan rate. As a result, the user marketing certificate payment rate is zero. Relevant data are summarized below:

					User
	For the	AWP			Marketing
	Friday through	(Announced)			Certificate
	Thursday	As Percent	USNE	NE	Payment
Week	Period Ending	of Loan Rate	Price	Price	Rate
				cents/lb	
1	May 5, 1994	138.3	90.56	86.14	0
2	May 12, 1994	137.4	88.90	85.65	0
3	May 19, 1994	134.6	88.30 (c	) 85.65	(c) 0
4	May 26, 1994	136.5	91.05 (c	) 86.72	(c) 0

(c) Based on current price quotations.

Next week's AWP, CCA and user marketing certificate payment rate will be announced on Thursday, June 2 at 5 p.m.





